



# Earnings Presentation

## Q4 FY2022

[www.hsilgroup.com](http://www.hsilgroup.com)

**Accelerating Ambitions  
Packaging Excellence**



# HSIL Limited is now AGI Greenpac Limited



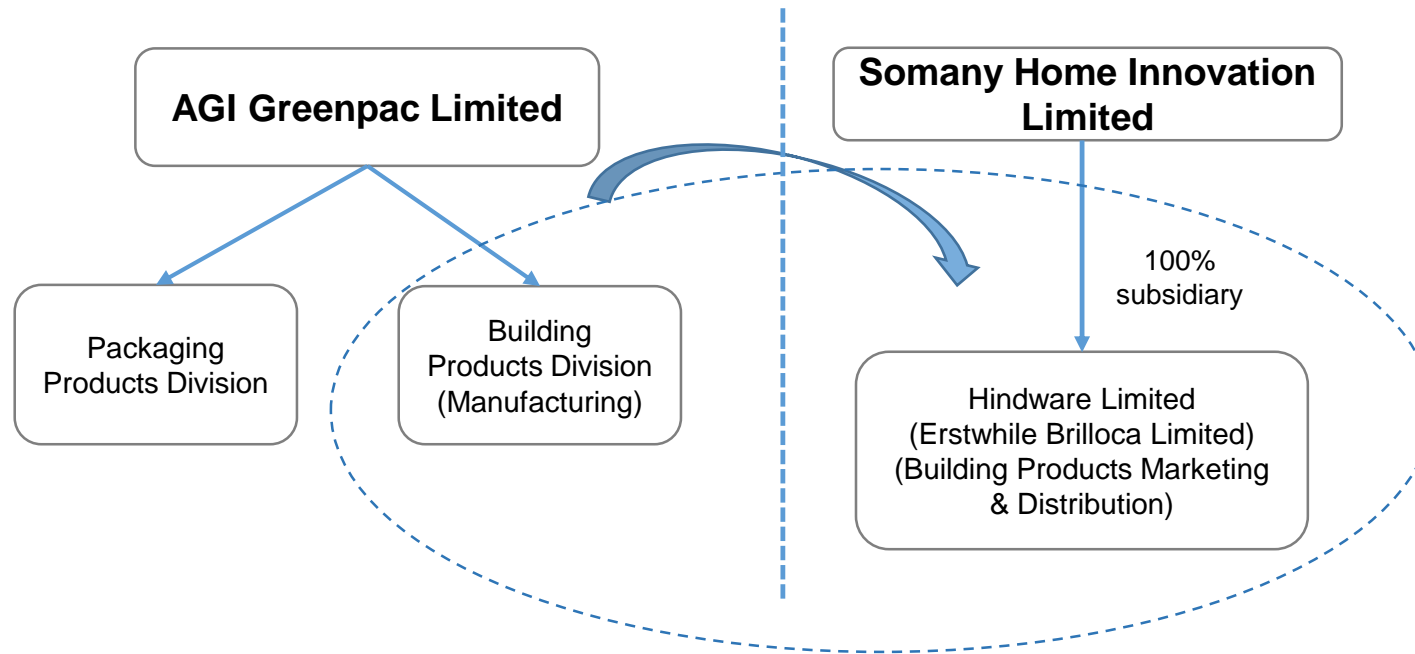
- The new modern logo ties the brand closer to its identity as a sustainable packaging company
- The word Green reflects the company's commitment to offering best-in-class sustainable packaging solutions that have a positive impact on our environment
- The Green Leaf represents the company's focus on adopting sustainable best practices. It is the company's promise to put sustainability at the core of day-to-day business operations



# AGI Greenpac Limited (formerly HSIL Limited) Transforms to a Focused Packaging Products Company



## Slump Sale of Building Products Division is effective#



- Total Slump Sale Consideration ~ **₹700 Crore#**
- As of 31st March 2022, ₹ 109 Crore received as advance under slump sale and balance slump sale consideration is being paid post 31st March 2022
  - To be utilized to reduce borrowings
- Profit from Slump Sale ~ **₹58 Crore**

#The slump sale transaction consummated effective closing business hours of 31st March 2022.

The agreed closing date adjustments till 31st March 2022 is completed and accordingly slump sale consideration has been arrived ~ ₹700 Crore instead of ~ ₹630 Crore





# Q4 & FY2022 Performance Highlights



AGI Greenpac records best results ever. Strong Growth in both, Revenue and Net Profits

## Q4 FY2022 Performance Highlights

Revenue from Operations

**₹711 crore**

Q4 FY21 : ₹633 crore



12% Y-o-Y

Profit After Tax

**₹128 crore**

Q4 FY21 : ₹33 crore



286% Y-o-Y

## FY2022 Performance Highlights

Revenue from Operations

**₹2,312 crore**

FY21 : ₹1,853 crore



25% Y-o-Y

Profit After Tax

**₹193 crore**

FY21 : ₹88 crore



120% Y-o-Y

Board of Directors has recommended final dividend of Rs. 5 per share, payout of 250% on face value



# FY2022 Performance

## AGI Greenpac is now a focused Packaging Products Company



### Continuing Operations

#### Total Income

**₹1,473 crore**

FY21 : ₹1,274 crore



**15.7% Y-o-Y**

#### EBITDA

**₹307**

FY21 : ₹280 crore



**9.5% Y-o-Y**

Margins : **20.8%**

#### Profit Before Tax

**₹179 crore**

FY21 : ₹153 crore



**17.2% Y-o-Y**

Margins : **12.1%**

#### Interest Coverage Ratio

**10.9 x**

FY21 : 8.5 x

#### *Discontinued Operations* Building Products Division

#### Revenue

**₹881 crore**

FY21 : ₹593 crore

#### Profit before Tax

**₹20 crore**

FY21 : ₹(38) crore



# Q4 FY2022 Performance Highlights



## Continuing Operations

### Total Income

**₹453 crore**

Q4 FY21 : ₹419 crore



**8.2%**  
Y-o-Y

### EBITDA

**₹93 crore**

Q4 FY21 : ₹88 crore



**5.1%**  
Y-o-Y

Margins : **20.5%**

### Profit Before Tax

**₹57 crore**

FY21 : ₹55 crore



**3.6%**  
Y-o-Y

Margins : **12.6%**

*Discontinued Operations*  
**Building Products Division**

### Revenue

**₹279 crore**

Q4FY21 : ₹216 crore

### Profit before Tax

**₹33 crore**

Q4FY21 : ₹1.4 crore



# Vice Chairman and Managing Director Message



**Commenting on the recent performance, Mr. Sandip Somany, Vice Chairman and Managing Director of AGI Greenpac Limited :**

*“Our packaging products business continues to deliver revenue growth, driven by increased demand for glass packaging from key end-user industries and the company has been able to maintain a strong EBITDA margin profile despite the sharp jump in commodity & fuel prices and inflation. This is a testament to the underlying sustainable business model that we have built over the years.*

*We enter the fiscal year with confidence of delivering sustainable growth and remain the most profitable glass packaging products company in India.”*



The company started trial production of its greenfield plant in Bhongir, Telangana manufacturing specialty glass for high-value industries such as perfumery, cosmetics, high-end liquor, and pharmaceuticals including vials. The plant has a capacity of manufacturing 154 tonnes of glass.



## Packaging Products (*Continuing Operations*)

### Key Highlights :

- Our Glass container business continues to see strong traction owing to improved realizations, better product mix, and increased sales volume
- Despite strong headwinds from the rising input material & fuel costs. The company has been able to maintain its strong EBITDA margins profile due to its ability to use multiple fuels and pass-through certain costs to customers
- Successfully produced and dispatched AGI's Glaspac first direct shipment to the USA Market
- Commissioned AGI Specialty Glass, 154 TPD Furnace
- Received SADEX/SMETA certification for Pet Bottles & Products Dharwad Plant
- AGI Glaspac Hyderabad & Bhongir Plant Were Awarded Silver For Commitment To Excellence In EHS Practices in CII-SR EHS Excellence Awards 2021
- AGI Glaspac, glass containers business, is Certified as “Great Place To Work” in January 2022, by the Great Place to Work Institute, India





# Financial Performance – Continuing Operations



| (₹ in crore)                            | Q4     |        | Y-o-Y      | Q3     | Q-o-Q      | Full Year |        | Y-o-Y      |
|---|--------|--------|------------|--------|------------|-----------|--------|------------|
|   | FY2022 | FY2021 | Growth (%) | FY2022 | Growth (%) | FY2022    | FY2021 | Growth (%) |
| Income from Operations                  | 432    | 417    | 3.5%       | 396    | 9.1%       | 1,430     | 1,260  | 13.5%      |
| Other Income                            | 21     | 2      | 1183.7%    | 3      | 581.4%     | 43        | 14     | 205.0%     |
| Total Income                            | 453    | 419    | 8.2%       | 399    | 13.6%      | 1,473     | 1,274  | 15.7%      |
| EBITDA                                  | 93     | 88     | 5.1%       | 81     | 14.5%      | 307       | 280    | 9.5%       |
| Margins (%)                             | 20.5%  | 21.1%  |            | 20.3%  |            | 20.8%     | 22.0%  |            |
| EBIT                                    | 65     | 65     | 1.0%       | 53     | 22.4%      | 207       | 186    | 11.4%      |
| Margins (%)                             | 14.4%  | 15.5%  |            | 13.4%  |            | 14.0%     | 14.6%  |            |
| Profit Before Exceptional items and Tax | 57     | 55     | 3.6%       | 46     | 23.6%      | 179       | 153    | 17.2%      |
| Margins (%)                             | 12.6%  | 13.2%  |            | 11.6%  |            | 12.1%     | 12.0%  |            |
| Net Profit from Continuing Operations   | 38     | 34     | 10.8%      | 29     | 29.8%      | 116       | 115    | 1.4%       |
| Margin (%)                              | 8.4%   | 8.2%   |            | 7.3%   |            | 7.9%      | 9.0%   |            |
| EPS from Continuing Operations (in ₹)   | 5.87   | 5.30   | 10.8%      | 4.52   | 29.8%      | 17.99     | 17.74  | 1.4%       |

## Notes:

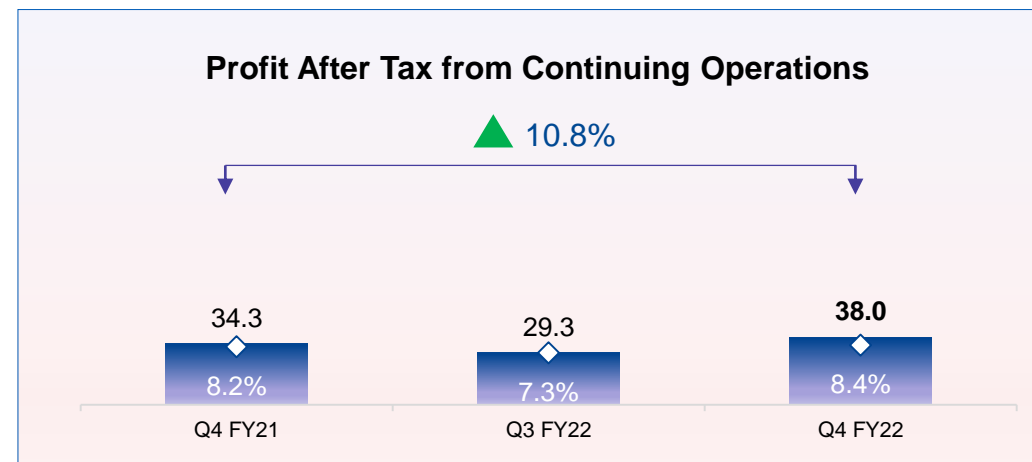
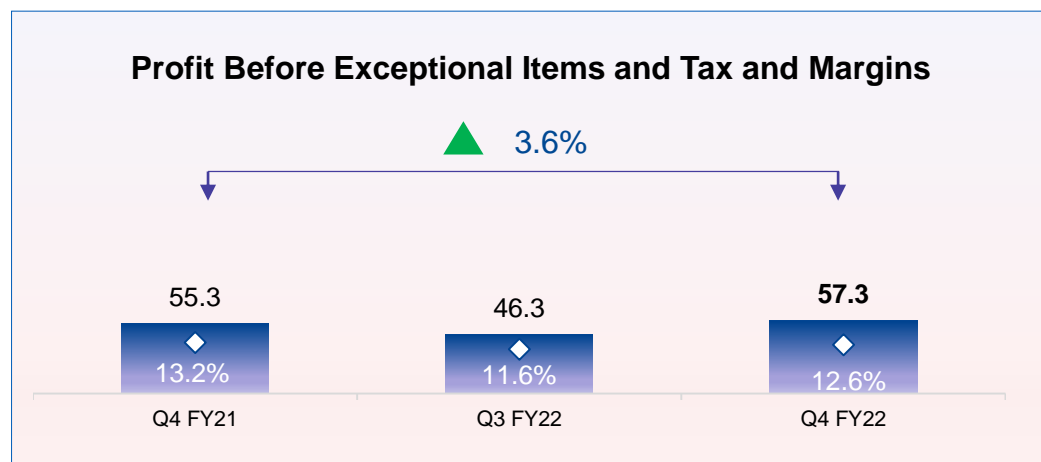
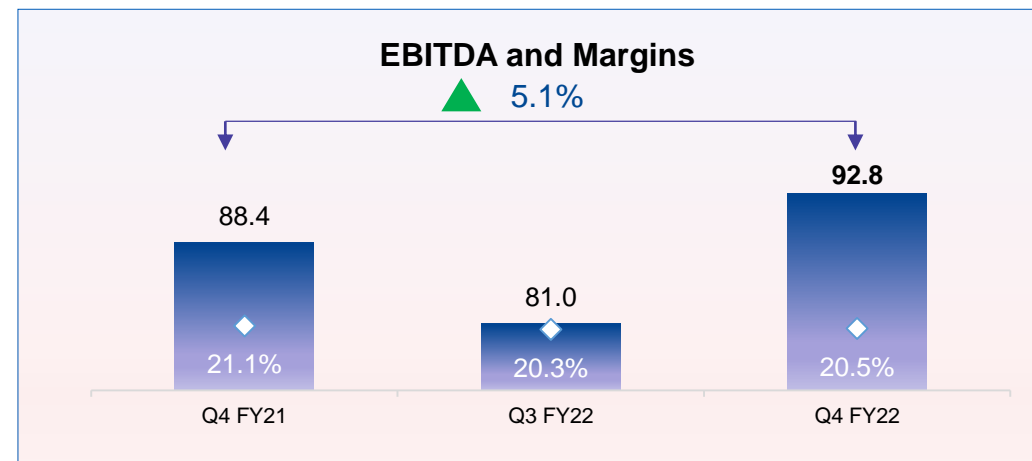
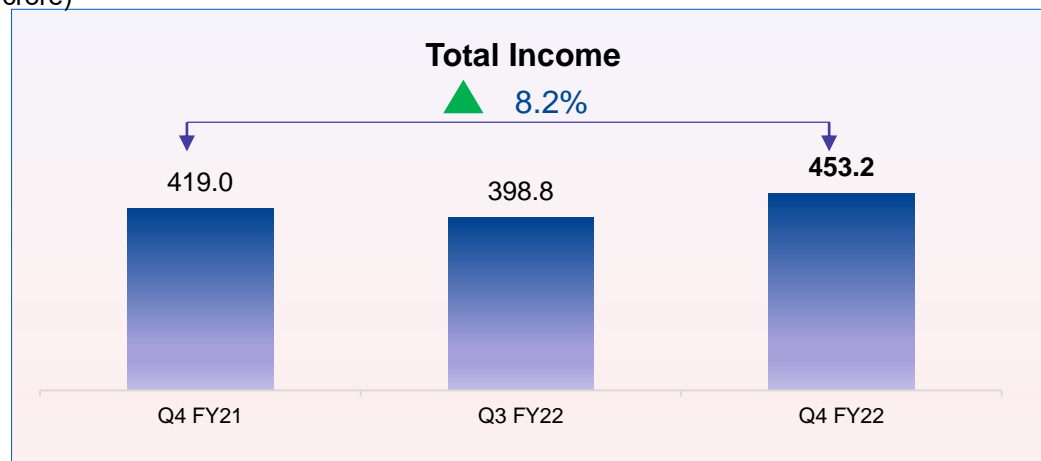
1. All margins are calculated on Total Income



# Financial Performance Trend (Quarterly, Continuing Operations)

**AGI Greenpac continues maintain strong EBITDA margins despite sharp jump in input and fuel costs**

(₹ in crore)



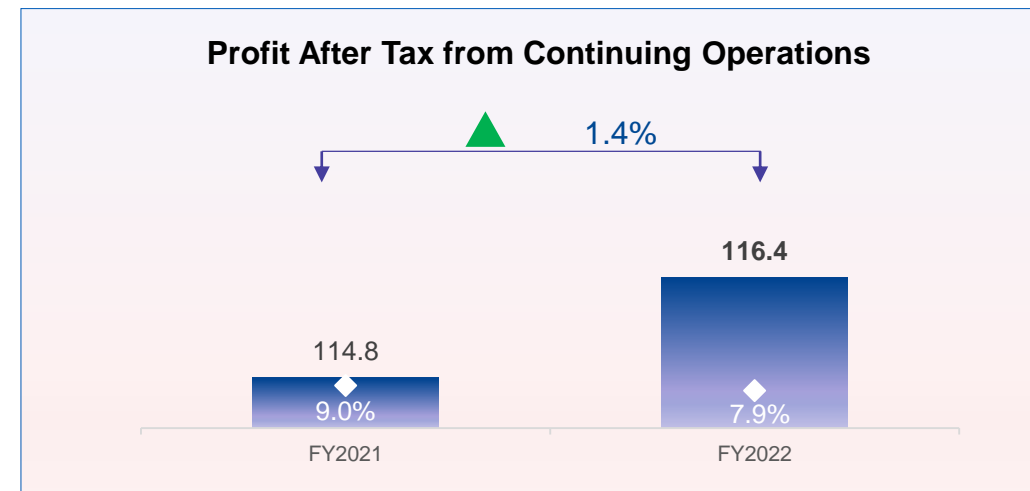
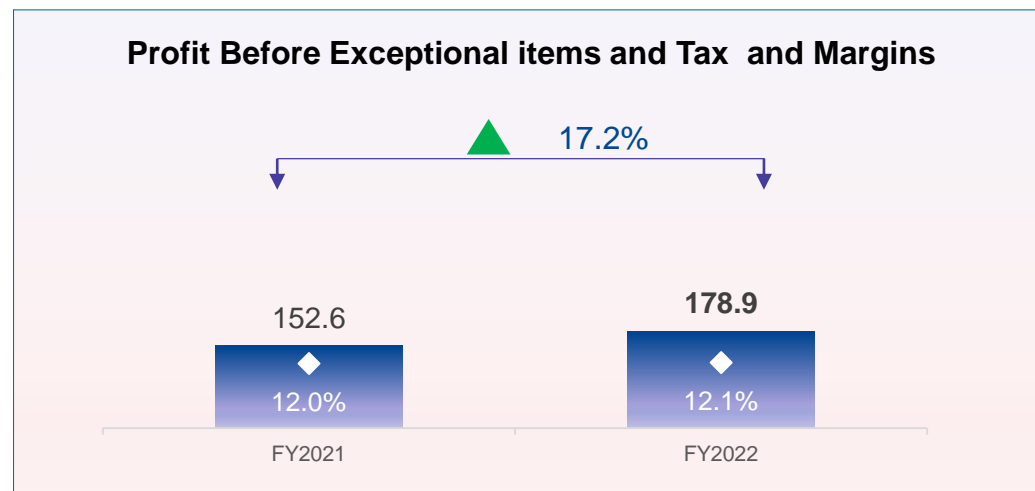
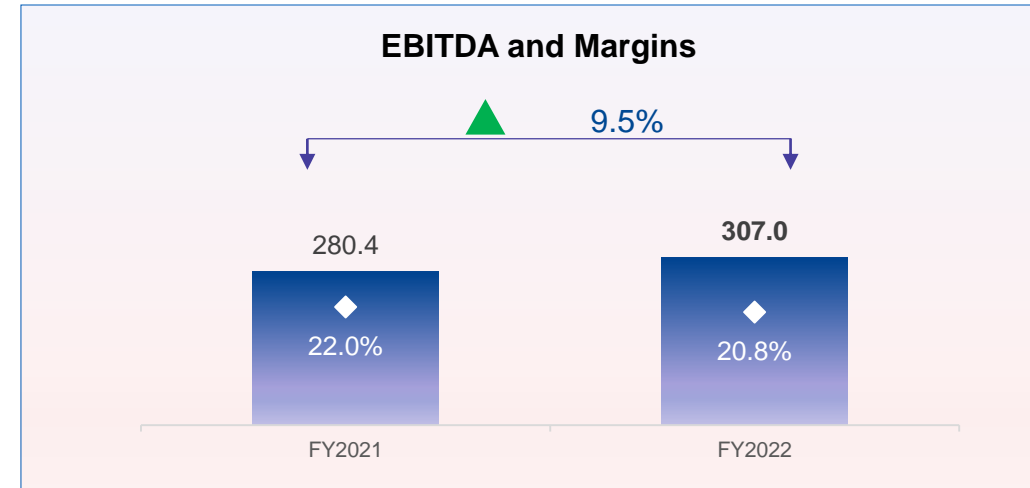
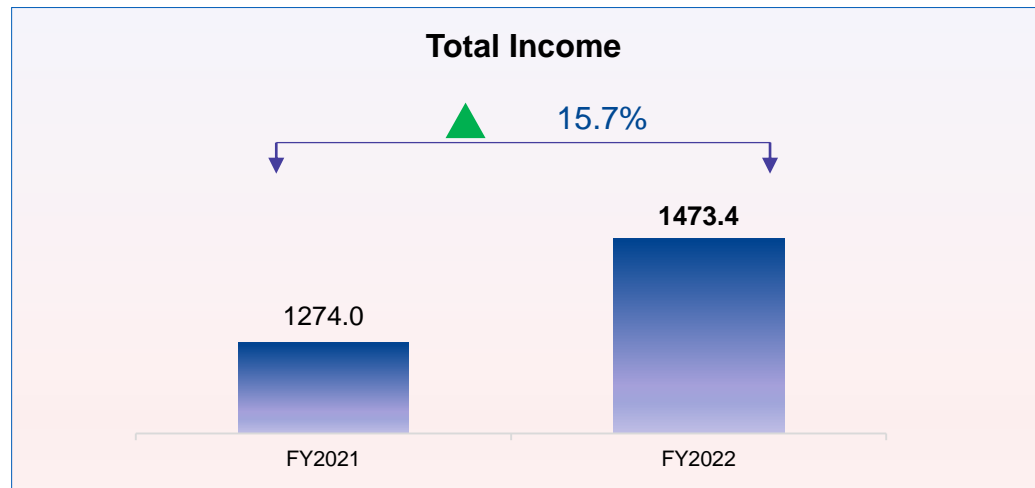
Notes:

1. Graphs shows Packaging Business Trends i.e. Continuing Business Operations
2. All margins are calculated on Total Income



# Financial Performance Trend (Annual, Continuing Operations)

(₹in crore)



Notes: 1. All margins are calculated on Total Income

1. Adjusted PAT is calculated after adjusting income tax writebacks of ₹14.7 crore in FY2021

2. \*The Exceptional Items (Income) for the quarter and year ended 31st March 2022 of Rs.58.01 crore is on account of profit on Slump Sale of BPD Undertaking.



# Capital Structure – Strengthened Balance Sheet

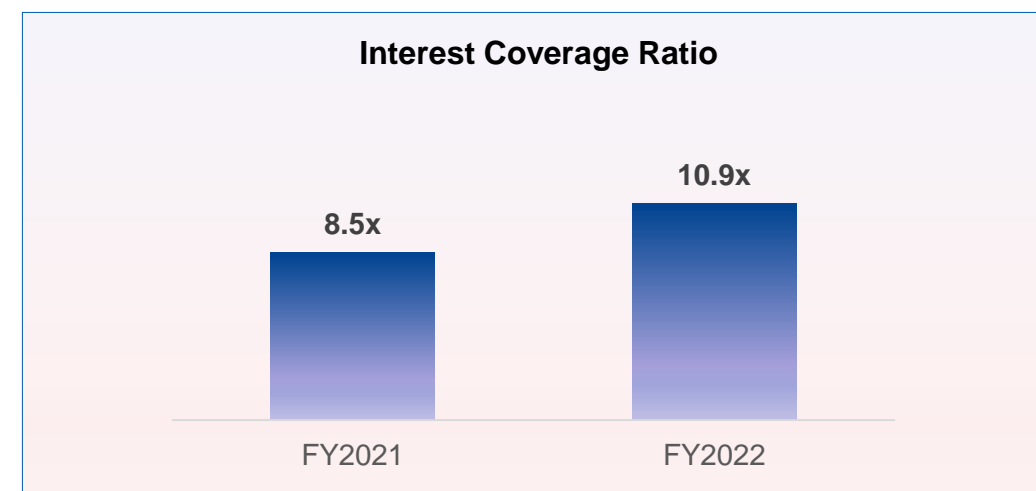


## Balance Sheet

| (₹in crore)                   | Mar-21       | Mar-22         |
|-------------------------------|--------------|----------------|
| Long Term Debt                | 675.4        | 863.7          |
| Short Term Debt               | 220.5        | 298.7          |
| <b>Total Debt*</b>            | <b>895.9</b> | <b>1,162.4</b> |
| Less: Cash & Cash Equivalents | 23.4         | 58.6           |
| <b>Net Debt</b>               | <b>872.5</b> | <b>1,103.8</b> |
| Total Equity                  | 1,233.6      | 1,392.1        |
| <b>Net Debt/Equity</b>        | <b>0.71x</b> | <b>0.79x</b>   |

CARE A+; Stable Outlook  
Long Term Debt

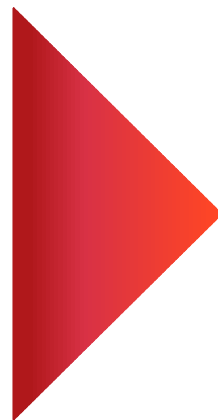
CARE A1+  
Short Term Debt



\*As of 31st March 2022, ₹ 109 Crore received as advance under slump sale and balance slump sale consideration is being paid post 31<sup>st</sup> March 2022 . To be utilized to reduce borrowings



# Company Overview





## Leader and Most Profitable Glass Packaging Products Company in India

26+

Years

Expanded capacity from 154 tonnes to 1,754 tonnes per day over last twenty-six years

1,754

Tonnes per day

2<sup>nd</sup> largest glass container manufacturing capacity in India. Operates from 3 plants situated in Telangana including the newly commissioned specialty glass manufacturing plant

~20%

Market Share

~20% market share in Indian organized glass packaging industry

500+

Institutional Clients

Strong relationship with end customers with selected pass through arrangements

~85%

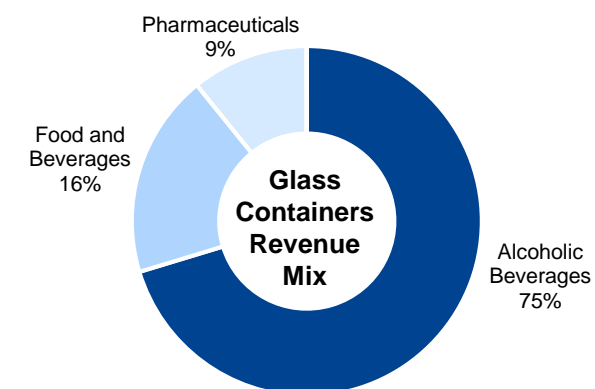
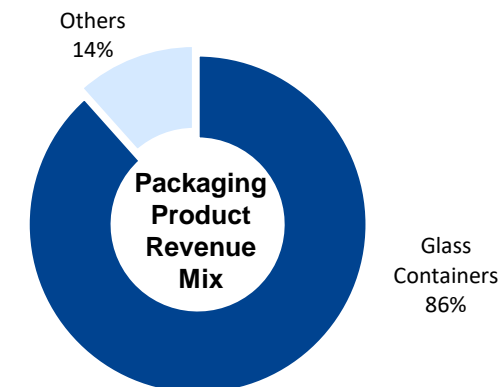
Capacity Utilization

Improving capacity utilization as compared to last year due to macro-economic environment revival

1,222

FY2022 Sales ₹crore

85% contribution to FY2022 total sales



\* All information as of FY2022



# Packaging Products – Our Customers

## Diversified institutional clients across industries

|   |   |   |   |   |   |   |   |
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# Packaging Products – Our Customers

## Diversified institutional clients across industries



## 1 Economic Growth Recovery

- Major macro-economic indicators are on a fast recovery track driving demand for packaged food and beverage products
- Glass is one of the most preferred materials for the packaging of premium food, beverages, pharmaceuticals, and personal care products
- Shift towards sustainable packaging resulting in growing demand for glass packaging

## 2 Evolving Consumer Behavior due to Covid-19

- Glass Containers industry is poised to grow with accelerated adoption of e-commerce which is expected to fuel demand for industry
- Consumer preference shifting towards quality, safety and premiumization of products
- Benefits of glass packaging and recycling strongly resonates with new age consumers

## 3 Market Formalisation

- Movement from informal to formal sector driven by advances in glass technology to manufacture lightweight glass containers
- Consolidation in the Glass industry will lead to higher growth opportunities

## 4 Emerging Industry Leader

- AGI Greenpac is a leading player in Glass packaging in India:
- Customer Centric Products and Serviceability as core business principle
- Strong financial performance with high operating profit margins, backed by state of the art manufacturing capabilities



**AGI Greenpac growth dynamics are fully aligned with the fundamental underlying growth profile of its customers**

## AGI Greenpac Growth Drivers

India container Glass market is expected to grow at 6-7% CAGR over 2021-2026



Growing consumption of spirits and beer resulting in increased demand for glass bottles



Higher usage of glass packaging in Food & Beverage industry



Growth of Cosmetic and Perfume Glass Packaging market owing to premiumisation of the segments

## Alcoholic Beverages



### Market Size and Growth:

- Liquor segment is growing at a CAGR of 8-9%
- Beer market is expected to grow at 9-10% between FY2022-27

### Growth Drivers:

- Growing preference for spirits
- Increasing disposable income resulting in higher spending on alcoholic beverages
- Expanding beer market including craft beers

## Pharmaceuticals



### Market Size and Growth :

- India's pharmaceutical market was valued at US\$ 42 billion in 2021, and is projected to reach US\$ 120-130 billion by 2030,

### Growth Drivers:

- Growing infrastructure and support from government to make India a global leader in drug manufacturing
- Increasing private investment Government initiatives

## Food and Soft Drink



### Market Size and Growth :

- FMCG market is expected to grow at 14-15% between 2020-25.

### Growth Drivers:

- Evolving consumer preferences, rising income & growing rural opportunity
- Rural slowdown has bottomed out, demand is expected to stabilize

## Cosmetic & Perfume



### Market Size and Growth :

- The India Cosmetics Market is expected to grow at a CAGR of 16.39% through FY2026 to reach USD 28985.33 Million.
- The fragrance market in India is expected to expand at a CAGR of ~15.93%, from its 2019 value of INR 66.58 Bn.

### Growth Drivers:

- Changes in shopping preferences
- Greater inclination of the youth towards skincare and other grooming products





# Sustainability a Core Pillar of Growth Strategy



**AGI Greenpac is committed in adopting and investing in environment friendly technology and initiatives**  
**Aim to build a long-term sustainable business for all stakeholders**

## Green Building Design

As a corporate Policy, IGBC certified Green building concept will be considered for all upcoming project. Aiming for platinum rated "Green Building" for 154 TPD project. Only organization in the Indian Container Glass Industry to have installed ESP (Electrostatic Precipitator) in furnace, to reduce carbon emission, in both the plants.

## Light Saving Building Design

Designed all facilities, especially shop floors to ensure no artificial lighting is required during daytime & LED lighting is extensively used replacing conventional HPSV/ fluorescent lamps

## Renewable Energy

Increasing share of renewable power in overall energy consumption, with the help of on-site rooftop solar power plants installations of 2.1 MW at Bhongir and 1MW at Hyderabad.

In Process of installing Solar Power 1MW Rooftop at Speciality Glass Plant and additional 2 MW Rooftop Solar plant at Motinagar Plant.

Installed on grid solar power plant with Capacity of 250 KW in unit 2 and planned 200 KW in Dharwad unit 1. Evaluating more solar power for Dharwad and Isnapur.

## Environment Friendly Certified Manufacturing Process

DMF – Quality Assurance for supply to US pharmaceutical market. ISO 14001:2015 – Environment Management System. OHSAS 18001: 2007 Occupational Health and Safety Management System. FSSC 22000 – Food Safety System. ISO 9001:2008 and 2015 – Quality Management System. ISO 15378:2011 and 2017 – Quality Management System to provide primary packaging material for medicinal products.

## Waste Treatment

Effluent and Sewage treatment plants installed, and waste generated while processing is almost 100% recycled by regrinding and reprocessing New Cullet Sorting Machine commissioned at Bhongir, Cullet Quality have improved with a possibility to increase the usage of cullet in the furnace from 35% to 45%.

Started Using Bio-D Master batch (Biodegradable product) in select SKU's

## Environment-friendly Product

Greendrop Glassware - Promoting 'glass packaging' which is environment-friendly product as an alternative to single-use plastic

Helps in attracting and engaging with ESG conscious institutional clients

Cost saving owing to usage of natural light and energy saving equipments

Increased efficiency and productivity

High morale among stakeholders – clients and employees

Sustainable businesses



# Board of Directors and Leadership Team



56% of the Board is Independent

Experienced senior management team with dedicated executives to professionally manage business operations

## Board of Directors

- **Mr. Nand Gopal Khaitan** (Independent Director)  
Attorney-at-Law and a Notary Public appointed by the Government of India
- **Mr. Vijay Kumar Bhandari** (Independent Director)  
Fellow Chartered Accountant with over 39 years of experience in the Banking Industry
- **Mr. Anil Wadhwa** (Independent Director)  
Ex-Member of the Indian Foreign Services. Served as Indian Ambassador to Poland, Lithuania, Sultanate of Oman, Thailand, Italy and San Marino over the course of 38 years
- **Ms Himalyani Gupta** (Independent Director)  
Advocate with over 31 years of experience Standing Counsel for the Union of India in the Hon'ble Supreme Court of India
- **Mr. Rakesh Sarin** (Independent Director)  
43 years of experience in the field of distributed energy, policy advocacy and development of large renewable energy platform
- **Ms. Sumita Somany** (Non-Executive Non-Independent Director)  
Over a decade of experience in the retail industry
- **Mr. Girdhari Lal Sultania** (Non-Executive Non-Independent Director)  
Fellow Chartered Accountant, Fellow Company Secretary and consultant by profession



**Dr. Rajendra Kumar Somany**  
Chairman And Managing Director



**Mr. Sandip Somany**  
Vice-Chairman And Managing Director



**Mr. Sandeep Sikka**  
Group CFO



**Mr. RB Kabra**  
President and CEO,  
Building Products  
(Transferred to Hindware Limited  
with effect from 1<sup>st</sup> April 2022)



**Mr. Rajesh Khosla**  
President and CEO,  
AGI Glaspac and Garden Polymers



**Mr. Om Prakash Pandey**  
Chief Financial Officer



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